

Assembly Bill No. 3280

CHAPTER 1032

An act to add Sections 14669.16 and 15817.5 to the Government Code, relating to state property.

[Approved by Governor September 27, 1996. Filed
with Secretary of State September 29, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

AB 3280, Cunneen. Health and Welfare Agency Data Center.

Existing law authorizes the Director of General Services to hire, lease, lease-purchase, or lease with the option to purchase real or personal property for the use of any state agency, but prohibits the director from entering into a lease-purchase agreement, or a lease with an option to purchase involving office space without specific legislative authorization.

This bill would authorize the Director of General Services, as agent for the Health and Welfare Agency Data Center, to acquire specified facilities currently leased and occupied by the Health and Welfare Agency Data Center in the City of Sacramento, together with any other equipment, improvements, betterments, and facilities related to those facilities and to enter into an option, purchase, lease-purchase, or lease with an option to purchase agreement upon the terms and conditions that are necessary and determined to be in the best interest of the state in connection with the acquisition. This bill would authorize the director to enter into agreements for the financing of this acquisition by a joint powers authority or agency, a local or other governmental entity, private nonprofit business entity, or other business entity through various forms of indebtedness lawfully issued within the power of the agency or entity.

This bill would require the facilities to be acquired by the Director of General Services under these provisions to be and remain under the jurisdiction and control of, and be maintained and occupied by, the Health and Welfare Agency Data Center during the term of any lease executed, as specified, and be transferred to the Director of the Health and Welfare Agency Data Center upon payment in full of any bonds used to finance the acquisition.

This bill would authorize the State Public Works Board to issue revenue bonds, negotiable notes, and negotiable bond anticipation notes pursuant to the State Building Construction Act of 1955 to finance the acquisition of facilities and any other equipment, improvements, betterments, and facilities related to the acquisition pursuant to these provisions, subject to specified conditions.

The people of the State of California do enact as follows:

SECTION 1. Section 14669.16 is added to the Government Code, to read:

14669.16. (a) The Director of General Services, as agent for the Health and Welfare Agency Data Center, may acquire the facilities currently leased and occupied by the Health and Welfare Agency Data Center at 3301 S Street and 1651 Alhambra Boulevard in the City of Sacramento, together with any other equipment, improvements, betterments, and facilities related to those facilities.

(b) The Director of General Services may enter into option, purchase, lease-purchase, or lease with an option to purchase agreements upon the terms and conditions that are necessary and determined by the director to be in the best interest of the state in connection with the acquisition.

(c) The Director of General Services may enter into any other agreements, including, without limitation, indentures, trust agreements, continuing disclosure agreements, official or public disclosure documents, or other documents necessary for the financing of the acquisition by, without limitation, a joint powers authority or agency, a local or other governmental entity, private nonprofit business entity, or other business entity whether through the issuance of tax exempt lease revenue bonds, certificates of participation, negotiable notes, or other forms of indebtedness lawfully issued within the power of the agency or entity.

(d) In connection with the acquisition authorized in subdivision (a), the Treasurer shall be the agent for the sale of any financing involving the issuance of bonds, certificates of participation, or other form of indebtedness that are payable from payments made in connection with any lease.

(e) The facilities to be acquired by the Director of General Services, as agent for the Health and Welfare Agency Data Center, shall be and remain under the jurisdiction and control of, and be maintained and operated by, the Health and Welfare Agency Data Center during the term of any lease executed as security for bonds or other evidence of indebtedness. Upon payment in full of any bonds used to finance the acquisition, title to the facilities shall be transferred to the Director of the Health and Welfare Agency Data Center.

(f) Director of General Services shall, not later than 45 days prior to entering into any agreement to acquire facilities at 3301 S Street and 1651 Alhambra Boulevard in the City of Sacramento, notify the Chairperson of the Joint Legislative Budget Committee of the pending agreement, including the information on current and future costs. It is the intent of the Legislature that the Joint Legislative Budget Committee hold a hearing on the pending agreement.

SEC. 2. Section 15817.5 is added to the Government Code, to read:

15817.5. (a) Revenue bonds, negotiable notes, including, without limitation, commercial paper and negotiable bond anticipation notes, may be issued by the State Public Works Board pursuant to the State Building Construction Act of 1955, as that act has been, or may in the future be, amended (Part 10b (commencing with Section 15800)) to finance the acquisition of the facilities and any other equipment, improvements, betterments, and facilities related to the acquisition for the use and occupancy of the Health and Welfare Agency Data Center as described in subdivision (a) of Section 14669.16.

(b) (1) The amount of revenue bonds, negotiable notes, commercial paper, and negotiable bond anticipation notes to be sold shall equal the cost of acquisition, including the amount necessary to pay financing costs, interest during construction, and a reasonable reserve. Acquisition costs shall not exceed twenty-four million dollars (\$24,000,000).

(2) Notwithstanding Section 13332.11, the State Public Works Board may authorize the augmentation of the amount authorized pursuant to this subdivision by up to 10 percent of the amount specifically authorized.

(c) The net present value of the cost to acquire and operate the facilities authorized by subdivision (a) may not exceed the net present value of the cost to lease and operate an equivalent amount of comparable office space, including the present facilities, over the same time period. The Department of General Services shall perform this analysis, and shall obtain interest rates, discount rates, and Consumer Price Index figures from the Treasurer.

(d) The State Public Works Board may borrow funds for project costs from the Pooled Money Investment Account pursuant to Sections 16312 and 16313. In the event the bonds authorized for the project are not sold, the Health and Welfare Agency Data Center shall commit a sufficient amount of its budget to repay any loans made for the project from the Pooled Money Investment Account.